*** § 1020-p. Exemption from taxation.** 1. It is hereby found and declared that the operation of the authority is primarily for the benefit of the people of the state of New York, for the improvement of their health, welfare and prosperity, and is a public purpose, and the authority shall be regarded as performing an essential governmental function in carrying out the provisions of this title.

2. The authority shall be required to pay no taxes nor assessments upon any of the property acquired or controlled by it or upon its activities in the operation and maintenance thereof or upon income derived therefrom, provided that nothing herein shall prevent the authority from entering into agreements to make payments in lieu of taxes with the governing bodies of municipalities, as provided for in section one thousand twenty-q of this title.

3. The securities and other obligations issued by the authority, their transfer and the income therefrom shall, at all times, be free from taxation by the state or any municipality, except for estate and gift taxes.

* NB There are 2 § 1020-p's